RECENCED

BEFORE THE TENNESSEE REGULATORY AUTHORITY

Nashville, Tennessee

2603 GCT 29 PH 2: 21

T.R.A. DOCKET ROOM

In Re:

Implementation of the Federal Communications Commission's Triennial Review Order (Nine-month Proceeding) (Switching)
Docket No. 03-00491

Implementation of the Federal Communications Commission's Triennial Review Order (Nine-month Proceeding) (Hot Cuts)

Docket No. 03-00526

BELLSOUTH TELECOMMUNICATIONS, INC.'S FIRST REQUESTS FOR PRODUCTION OF DOCUMENTS TO KMC TELECOM III, LLC

BellSouth Telecommunications, Inc. ("BellSouth"), hereby requests KMC Telecom III, LLC ("KMC") to provide answers in response to the following discovery requests in the time established by the Procedural Schedule provided by Director Jones on October 21, 2003.

DEFINITIONS

- 1. "BellSouth" means BellSouth Telecommunications, Inc., and its subsidiaries, their present and former officers, employees, agents, representatives, directors, and all other persons acting or purporting to act on behalf of BellSouth Telecommunications, Inc.
 - 2. The terms "you" and "your" refer to KMC.
- 3. "KMC" means KMC Telecom III, LLC, and its subsidiaries, their present and former officers, employees, agents, directors, and all other persons acting or purporting to act on behalf of KMC.

- 4. The term "person" means any natural person, corporation, corporate division, partnership, other unincorporated association, trust, government agency, or entity.
- 5. The term "document" shall have the broadest possible meaning under applicable law. "Document" means every writing or record of every type and description that is in the possession, custody or control of BellSouth, including, but not limited to, correspondence, memoranda, drafts, work papers, summaries, stenographic or handwritten notes, studies, publications, books, pamphlets, reports, surveys, minutes or statistical compilations, computer and other electronic records or tapes or printouts, including, but not limited to, electronic mail files; and copies of such writings or records containing any commentary or notation whatsoever that does not appear in the original. The term "document" further includes, by way of illustration and not limitation, schedules, progress schedules, time logs, drawings, computer disks, charts, projections, time tables, summaries of other documents, minutes, surveys, work sheets, drawings, comparisons, evaluations, laboratory and testing reports, telephone call records, personal diaries, calendars, personal notebooks, personal reading files, transcripts, witness statements and indices.
- 6. The term "referring or relating to" means consisting of, containing, mentioning, suggesting, reflecting, concerning, regarding, summarizing, analyzing, discussing, involving, dealing with, emanating from, directed at, pertaining to in any way, or in any way logically or factually connected or associated with the matter discussed.

- 7. "And" and "or" as used herein shall be construed both conjunctively and disjunctively and each shall include the other whenever such construction will serve to bring within the scope of these discovery requests any information that would otherwise not be brought within their scope.
- 8. The singular as used herein shall include the plural, and vice versa, and the masculine gender shall include the feminine and the neuter.
- 9. "Hot cut" refers to the entire process necessary to physically transfer from one carrier to another a working voice grade access line that remains working after the transfer.
- 10. "Batch Hot Cut" should be defined consistent with the FCC's use of that term, unless the Request provides another definition.
 - 11. "Individual Hot Cut" refers to all hot cuts that are not bulk hot cuts.
- 12. "Business case" refers to any undertaking that analyzes or evaluates, among other things, the business value to be realized, the tangible and intangible benefits, the effect on business processes and people's jobs, the financials, the technology to be applied, and the risks, potential problems and rewards of a particular course of action. It is the process that would be undertaken prior to going into a particular business, or before undertaking a particular course of action in order to determine whether the actions taken would provide a positive business benefit, when balanced against the potential problems that might be incurred.
- 13. "Access Line" refers to a transmission path between user terminal equipment and a switching center that is used to provide local exchange service.
 - 14. "ILEC" refers to Incumbent Local Exchange Carrier.

- 15. "DSO" refers to Digital Signal, level zero.
- 16. "DS1" refers to Digital Signal, level 1.
- 17. "FCC" refers to the Federal Communications Commission.
- 18. "Voice-grade equivalent lines" should be defined consistent with the FCC's use of the term, unless the Request provides another definition.
- 19. "Churn" refers to the average monthly outward movement of end user customers expressed as a percentage of total end user customers in service.
- 20. A "qualifying service" is a service as defined in 47 C.F.R. §51.5, as that rule is currently set forth in connection with the FCC's Triennial Review Order (TRO).
- 21. A "non-qualifying service" is a service as defined in 47 C.F.R. §51.5, as that rule is currently set forth in connection with the FCC's Triennial Review Order (TRO).

GENERAL INSTRUCTIONS

- 1. If any response required by way of answer to these Requests for Production is considered to contain confidential or protected information, please furnish this information subject to the protective agreement executed by the parties.
- 2. If any response is withheld under a claim of privilege, please furnish a list of each document for which the privilege is claimed, reflecting the name and address of the person who prepared the document, the date the document was prepared, each person who was sent a copy of the document, each person who

has viewed or who has had custody of a copy of the document, and a statement of the basis on which the privilege was claimed.

- 3. These Requests for Production are to be answered with reference to all information in your possession, custody or control or reasonably available to you. These Requests for Production are intended to include requests for information that is physically within KMC's possession, custody or control as well as in the possession, custody or control of KMC's agents, attorneys, or other third parties from which such information may be obtained.
- 4. If any Requests for Production cannot be responded in full, answer to the extent possible and specify the reason for your inability to respond fully. If you object to any part of a Request for Production, answer all parts of the request to which you do not object, and as to each part to which you do object, separately set forth this specific basis for the objection.
- 5. These Requests for Production are continuing in nature and require supplemental responses should information unknown to you at the time you serve your responses to these requests subsequently become known or should your initial response be incorrect or untrue.
- 6. To the extent KMC has previously provided a response to any Request for Production, which prior response is responsive to any of the following Requests for Production, in Tennessee or any other state in proceedings in which BellSouth and KMC are parties, KMC need not respond to such request again, but rather may respond to such request by identifying the prior response to such request by state, proceeding, docket number, date of response, and the number of such response.

lf such prior response does not respond to the Request for Production contained below in its entirety, you should provide all additional information necessary to make your responses to these Requests for Production complete.

REQUESTS FOR PRODUCTION

- 1. Produce all documents identified in response to BellSouth's First Set of Interrogatories.
- 2. Produce every business case in your possession, custody or control that evaluates, discusses, analyzes or otherwise refers or relates to the offering of a qualifying service in the State of Tennessee.
- 3. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Tennessee to whom you only provide qualifying service.
- 4. Produce all documents referring or relating to the average number of access lines you provide to end user customers in Tennessee to whom you only provide qualifying service.
- 5. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Tennessee to whom you only provide non-qualifying service.
- 6. Produce all documents referring or relating to the average monthly revenues you receive from end user customers in Tennessee to whom you provide both qualifying and non-qualifying service.

- 7. Produce all documents referring or relating to the average number of access lines you provide to end user customers in Tennessee to whom you provide both qualifying and non-qualifying service.
- 8. Provide all documents referring or relating to the classifications used by KMC to offer service to end user customers Tennessee (e.g., residential customers, small business customers, mass market customers, enterprise customers, or whatever type of classification that you use to classify your customers).
- 9. Produce all documents referring or relating to the average acquisition cost for each class or type of end user customer served by KMC, as requested in BellSouth's First Set of Interrogatories, No. 34
- 10. Produce all documents referring or relating to the typical churn for each class or type of end user customer served by KMC, as requested in BellSouth's First Set of Interrogatories, No. 35.
- 11. Produce all documents referring or relating to how KMC determines whether to serve an individual customer's location with multiple DS0s or with a DS1 or larger transmission system.
- 12. Produce all documents referring or relating to the typical or average number of DSOs at which KMC would choose to serve a particular customer with a DS1 or larger transmission system as opposed to multiple DSO, all other things being equal.

- 13. Produce all documents referring or relating to the cost of capital used by KMC in evaluating whether to offer a qualifying service in a particular geographic market.
- 14. Produce all documents referring or relating to the time period used by KMC in evaluating whether to offering a qualifying service in a particular geographic market (e.g., one year, five years, ten years or some other time horizon over which a project is evaluated)?
- 15. Produce all documents referring or relating to your estimates of sales expense when evaluating whether to offer a qualifying service in a particular geographic market.
- 16. Produce all documents referring or relating to your estimates of general and administrative (G&A) expenses when evaluating whether to offer a qualifying service in a particular geographic market.
- 17. Produce all documents referring or relating to any complaints by KMC or its end user customers about individual hot cuts performed by BellSouth since January 1, 2000.
- 18. Produce all documents referring or relating to a batch hot cut process used by any ILEC in the BellSouth region that is acceptable to KMC or that KMC believes is superior to BellSouth's batch hot cut process.
- 19. Produce all documents referring or relating to an individual hot cut process used by any ILEC in the BellSouth region that is acceptable to KMC or that KMC believes is superior to BellSouth's individual hot cut process.

- 20. Produce all documents referring or relating to a batch hot cut process used by any ILEC outside the BellSouth region that is acceptable to KMC or that KMC believes is superior to BellSouth's batch hot cut process.
- 21. Produce all documents referring or relating to an individual hot cut process used by any ILEC outside the BellSouth region that is acceptable to KMC or that KMC believes is superior to BellSouth's individual hot cut process.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

GOY M. HICKS

JOELLE J. PHILLIPS

333 Commerce Street, Suite 2101

Nashville, TN 37201-3300

615/214-6301

R. DOUGLAS LACKEY MEREDITH E. MAYS Suite 4300 675 W. Peachtree St., NE Atlanta, GA 30375 (404) 335-0747

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CERTIFICATE OF SERVICE

I hereby certify that on October 27. 2003, the foregoing document was served on the parties of record, via the method indicated:

[] Hand [] Mail [] Facsimile [] Overnight [] Electronic	Henry Walker, Esquire Boult, Cummings, et al. 414 Union Street, #1600 Nashville, TN 37219-8062 hwalker@boultcummings.com
[] Hand [] Mail [] Facsimile [] Overnight [] Electronic	Charles B. Welch, Esquire Farris, Mathews, et al. 618 Church St., #300 Nashville, TN 37219 cwelch@farrismathews.com
[] Hand [Mail [] Facsimile [] Overnight [] Electronic	Martha M. Ross-Bain, Esquire AT&T 1200 Peachtree Street, Suite 8100 Atlanta, Georgia 30309 rossbain@att.com
[] Hand [] Mail [] Facsimile [] Overnight [] Electronic	Timothy Phillips, Esquire Office of Tennessee Attorney General P. O. Box 20207 Nashville, Tennessee 37202 timothy.phillips@state.tn.us
[] Hand [] Mail [] Facsimile [] Overnight [] Electronic	H. LaDon Baltimore, Esquire Farrar & Bates 211 Seventh Ave. N, # 320 Nashville, TN 37219-1823 don.baltimore@farrar-bates.com
[] Hand [i Mail [] Facsimile [] Overnight [] Electronic	James Wright, Esq. United Telephone - Southeast 14111 Capitol Blvd. Wake Forest, NC 27587 james.b.wright@mail.sprint.com

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Mail Section In Mail Section I

Ms. Carol Kuhnow
Qwest Communications, Inc.
4250 N. Fairfax Dr.
Arlington, VA 33303
Carol.kuhnow@qwest.com

Jon E. Hastings, Esquire Boult, Cummings, et al. P. O. Box 198062 Nashville, TN 37219-8062 jhastings@boultcummings.com

Dale Grimes, Esquire
Bass, Berry & Sims
315 Deaderick St., #2700
Nashville, TN 37238-3001
dgrimes@bassberry.com

Mark W. Smith, Esquire Strang, Fletcher, et al. One Union Square, #400 Chattanooga, TN 37402 msmith@sf-firm.com

Nanette S. Edwards, Esquire ITC^DeltaCom 4092 South Memorial Parkway Huntsville, AL 35802 nedwards@deltacom.com

Guilford Thornton, Esquire
Stokes & Bartholomew
424 Church Street, #2800
Nashville, TN 37219
gthornton@stokesbartholomew.com

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